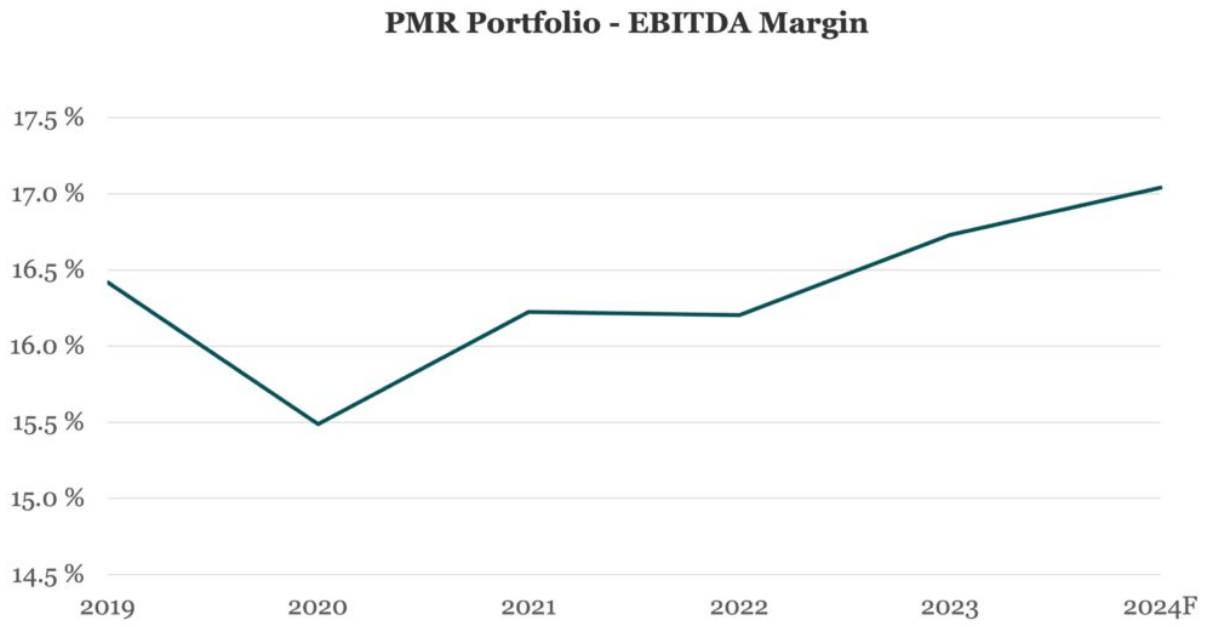
THE LEAD
https://theleadpc.com/middle-market-private-credit-11-4-2024/

Fitch’s Privately Monitored Middle Market Portfolio Overview ? 3Q24 (Part 1)

Fitch Ratings | November 7, 2024



F – Forecast
Source: Fitch Ratings



Source: Fitch Ratings

Click here to download report.

In the charts above, Fitch presents aggregate data for Middle Market companies that it privately rates on a monitored basis for asset managers, defined as:

- in the area of $500 million of debt; or
- $100 million of EBITDA or below.

Fitch reported median EBITDA leverage in its PMR portfolio of 6.0x for 2023 and forecasts it will trend down to 5.5x in 2024. Diversified manufacturing is expected to lead in deleveraging for 2024, with leverage decreasing to 5.7x from 6.4x in 2023. Robust revenue growth of 8.0% more than offsets expectations of EBITDA margin declining to 17.5% from 20.9% in 2023. Fitch reiterated its neutral 2024 outlook for diversified manufacturing in this report, citing steady growth dynamics supported by high order backlogs, book-to-bill ratios at or above 1x, and alignment with long-term, favorable secular trends.